

**OVERSIGHT BOARD TO THE FORMER
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON
STAFF REPORT**

DATE: MARCH 20, 2013

TO: THE HONORABLE CHAIR AND BOARD MEMBERS

FROM: EXECUTIVE DIRECTOR

SUBJECT: A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON CONDUCTING THE PUBLIC HEARING FOR THE SALE AND DISPOSITION BETWEEN THE SUCCESSOR AGENCY AND PRISM-IQ PARTNERS, LLC OF CERTAIN SUCCESSOR AGENCY OWNED PROPERTY IN CONNECTION WITH THE DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE GATEWAY TOWNE CENTER - PHASE II

SUMMARY:

Staff respectfully requests the Board conduct the public hearing for the proposed purchase of certain Successor Agency owned property by Prism-IQ Partners, LLC in connection with the Disposition and Development Agreement for the Gateway Towne Center – Phase II.

BACKGROUND:

The former Community Redevelopment Agency (Agency) and Prism-IQ Partners (Redeveloper) entered into a Disposition and Development Agreement (DDA) in December 2004 to develop a commercial retail center on the 50 acre former auto mall property without any subsidy whatsoever from the City of Compton, the Agency, its Successor or any other entity. In 2006, the Redeveloper began construction on the Phase I of this project, which consisted of approximately 40 acres pursuant to the terms of the DDA.

When completed in 2008, Phase I of the project was a Class “A” multi-tenant retail center commonly known as the Gateway Towne Center. To date, Phase I of the project includes national credit retail tenants such as Home Depot, Target, Best Buy, Ross, Staples, 24 Hour Fitness, Wells Fargo, Bank of America, TGIF, Payless Shoe Source, AT&T, GameStop, Subway, Del Taco, Panda Express and Party City.

The Redeveloper is close to securing sufficient commitments from prospective tenants for Phase II of the project, to proceed with its acquisition and construction. Phase II of the project will consist of approximately 8.5 acres and will be redeveloped with around 82,200 SF of leasable area occupied by additional national credit retailers that will contribute to the economic vitality of the City of Compton creating significant property tax increment, sales tax proceeds, permanent jobs and in furtherance of the Successor Agency's overall goal of removing blight while ensuring timely disposition of Successor Agency-owned property.

DISCUSSION:

Phase II of Gateway Towne Center is located directly adjacent to 91 Freeway at Alameda Street which, one of the primary gateways to the City. Redevelopment of Phase II of Gateway Towne Center will further enhance the aesthetic appearance of the City by replacing blighted property with additional Class "A" retail space. The project will also offer several Economic benefits to the City, such as:

- 1.) Purchase Price. Based on the proposed purchase price of approximately \$2.4 million dollars, the City's general fund is anticipated to receive \$325,000 of the final price.
- 2.) Annual Property Tax Revenue. Based upon an estimated valuation of between \$18 and \$20 million and an approximately 1.6% tax rate including specially assessments the annual property taxes would be between \$288,000 and \$320,000.
- 3.) Total number of jobs and salary level of jobs. A project of this size typically generates approximately 275 to 300 construction jobs and 225 to 250 fulltime and part-time jobs. The spectrum of employment runs from highly skilled managerial positions to entry-level positions, which will serve the broad skill set of the community.
- 4.) Sale Tax Revenue. On average occupants of retail space similar to the proposed project should generate around \$300 PSF in annual retail sales, which based upon the anticipated 82,200 SF of gross leasable area, results in an estimated \$24.6 million of annual retail sales for the project.
- 5.) Types of business that will be leasing the space. The project would accommodate a wide variety of restaurants and retail uses such as soft goods, pet supply, cosmetics and beauty supply, house wares, and discounters

With a portfolio of over 3.2 million square feet of retail centers and 2.5 million square of industrial space, Prism-IQ has demonstrated competency in acquisition, entitlement, financing, construction and operations of retail and industrial projects spanning over 23 years. Implementing Phase II of Gateway Town Center contributes to further enhancement of Compton's image as emerging economic HUB in the South Bay Area.

The following estimated project schedule (this schedule is a draft schedule and is only for illustration purposes only) is based upon approval by the Successor Agency Board, the Compton Oversight Board and the DOF, beginning in February 2013 and concluding on or about April 2013:

- DRC Approval of Majors A to E, Pads 6 and 7 anticipated to occur during February 2013
- Submittal, review and approval of site construction documents (architectural site improvements, civil plans and lot-line adjustment(s)) anticipated to occur during February through May 2013
- Submittal, review and approval of construction documents for Majors A to E, Pads 6 and 7 anticipated to occur during March through June 2013
- Receipt of permits for site construction and approval of lot-line adjustment(s) anticipated to occur during May through June 2013
- Receipt of permits for construction of Majors A to E, Pads 6 and 7 anticipated to occur during June through July 2013
- Close of escrow for lots 1 to 6 of TM 70914 anticipated to occur during July through August following recordation of lot-line adjustment(s) and receipt of permits for construction of the site and Majors A to E, Pads 6 and 7
- Site construction anticipated to commence immediately following close of escrow during July through August 2013
- Construction of Majors A to E, Pads 6 and 7 anticipated to commence July through August 2013
- Completion of site work and Majors A to E, Pads 6 and 7 anticipated to occur during February through March 2014
- Tenants in Majors A to E, Pads 6 and 7 opening to the public anticipated to occur during February through June 2014

FISCAL IMPACT:

There is no negative impact to the City of Compton or the affecting taxing entities with the approval of this resolution as the DDA provides no subsidies whatsoever for the acquisition and development of Phase II of Gateway Towne Center. Prism-IQ Partners is proposing to purchase the site from the Successor Agency for approximately \$2.4 million dollars as provided under the terms of the DDA.

RECCOMENDATION:

Staff respectfully requests the Board conduct the public hearing for the proposed purchase of certain Successor Agency owned property by Prism-IQ Partners, LLC in connection with the Disposition and Development Agreement for the Gateway Towne Center – Phase II.

G. HAROLD DUFFEY EXECUTIVE DIRECTOR

Attachments: 1.) Letter to DOF regarding Gateway Towne Center – Phase II
2.) Power Point presentation (Successor Agency Board) – February 12, 2013

RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON CONDUCTING THE PUBLIC HEARING FOR THE SALE AND DISPOSITION BETWEEN THE SUCCESSOR AGENCY AND PRISM-IQ PARTNERS, LLC OF CERTAIN SUCCESSOR AGENCY OWNED PROPERTY IN CONNECTION WITH THE DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE GATEWAY TOWNE CENTER - PHASE II

WHEREAS, the former Community Redevelopment Agency (Agency) and Prism-IQ Partners (Redeveloper) entered into a Disposition and Development Agreement (DDA) in December 2004 to develop a commercial retail center on the 50 acre former auto mall property without any subsidy whatsoever from the City of Compton, the Agency, its Successor or any other entity. In 2006, the Redeveloper began construction on the Phase I of this project, which consisted of approximately 40 acres pursuant to the terms of the DDA; and

WHEREAS, when completed in 2008, Phase I of the project was a Class “A” multi-tenant retail center commonly known as the Gateway Towne Center. To date, Phase I of the project includes national credit retail tenants such as Home Depot, Target, Best Buy, Ross, Staples, 24 Hour Fitness, Wells Fargo, Bank of America, TGIF, Payless Shoe Source, AT&T, GameStop, Subway, Del Taco, Panda Express and Party City; and

WHEREAS, the Redeveloper is close to securing sufficient commitments from prospective tenants for Phase II of the project, to proceed with its acquisition and construction. Phase II of the project will consists of approximately 8.5 acres and will be redeveloped with around 82,200 SF of leasable area occupied by additional national credit retailers that will contribute to the economic vitality of the City of Compton creating significant property tax increment, sales tax proceeds, permanent jobs and in furtherance of the Successor Agency’s overall goal of removing blight whiles ensuring timely disposition of Successor Agency-owned property; and

WHEREAS, Phase II of Gateway Towne Center is located directly adjacent to 91 Freeway at Alameda Street which, one of the primary gateways to the City. Redevelopment of Phase II of Gateway Towne Center will further enhance the aesthetic appearance of the City by replacing blighted property with additional Class “A” retail space; and

WHEREAS, Prism-IQ Partners has a portfolio of over 3.2 million square feet of retail centers and 2.5 million square of industrial space, Prism-IQ has demonstrated competency in acquisition, entitlement, financing, construction and operations of retail and industrial projects spanning over 23 years. Implementing Phase II of Gateway Town Center contributes to further enhancement of Compton’s image as emerging economic HUB in the South Bay Area; and

WHEREAS, there is no negative impact to the City of Compton or the affecting taxing entities with the approval of this resolution as the DDA provides no subsidies whatsoever for the acquisition and development of Phase II of Gateway Towne Center; and

WHEREAS, Prism-IQ Partners is proposing to purchase the site from the Successor Agency for approximately \$2.4 million dollars as provided under the terms of the DDA.

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE CITY OF COMPTON, HEREBY FINDS, DETERMINES, RESOLVE, AND ORDERS AS FOLLOWS:

Section 1. That the above recitals are hereby true and correct and are a substantive part of this resolution.

Section 2. That this resolution is adopted pursuant to Health and Safety Code Section 34177.

Section 3. That the Oversight Board conducts the public hearing for the Sale and Disposition between the Successor Agency and Prism-IQ Partners of certain Successor Agency owned property in connection with the Disposition and Development Agreement of phase II of the Gateway Towne Center project.

Section 4. That there is no negative impact to the City of Compton or the affecting taxing entities with the approval of this resolution as the DDA provides no subsidies whatsoever for the acquisition and development of Phase II of Gateway Towne Center.

Section 5. That Prism-IQ Partners is proposing to purchase the site from the Successor Agency for approximately \$2.4 million dollars as provided under the terms of the DDA.

Section 6. That the officers and staff of the Oversight Board and the Successor Agency are hereby authorized and directed, jointly and severally, to execute all documents and to do any and all things which they may deem necessary or advisable to effectuate this resolution.

Section 7. That a certified copy of this resolution shall be filed in the offices of the Executive Director of the Successor Agency.

ADOPTED this _____ day of _____, 2013.

**CHAIRPERSON OF THE OVERSIGHT BOARD
TO THE SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON**

ATTEST:

**SECRETARY TO THE OVERSIGHT BOARD
TO THE SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON**

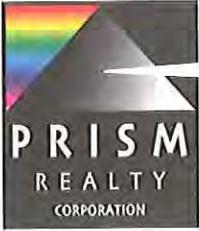
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Rhonda Rangel, Secretary to the Oversight Board to the Successor Agency to the Community Redevelopment Agency of the City of Compton, hereby certify that the foregoing resolution was adopted by the Board, signed by the Chairperson, and attested by the Secretary at the regular meeting thereof held on the _____ day of _____, 2013.

That said resolution was adopted by the following vote, to wit:

AYES: BOARD MEMBERS -
NOES: BOARD MEMBERS -
ABSENT: BOARD MEMBERS -

**SECRETARY TO THE OVERSIGHT BOARD
TO THE SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON**



bringing opportunity into focus

VIA E-MAIL

February 5, 2013

Mr. Steve Szaley
Local Government Consultant
Department of Finance
State of California
Sacramento, CA

RE: Gateway Towne Center, Compton, CA

Steve;

We appreciate the opportunity to provide you some background information regarding Gateway Towne Center ("GTC") in Compton, California, before our meeting on February 7th or 8th, 2013.

The approximately 50 acre subject property was formerly an auto mall, developed by the City of Compton Redevelopment Agency ("CRA"), which failed due to lack of demand. The former auto mall improvements were demolished and removed by the CRA in approximately 2000. The property remained undeveloped until November 2006 when Prism-IQ Partners, LLC ("PIQ") began construction on Phase I of GTC pursuant to a Disposition and Development Agreement ("DDA") with the CRA.

Phase I of GTC is a class "A" regional retail center comprising approximately 40 acres completed in 2008. The main anchor tenants of Phase I of GTC are Target, Home Depot, Best Buy, Ross, Staples, 24 Hour Fitness, Wells Fargo Bank, and Bank of America. In addition, there are a number of other national retail tenants in Phase I of GTC including TGIF, Del Taco, Panda Express, Party City, Payless Shoe Source, AT&T, Gamestop, Subway, and GNC. Please find attached: i) site plan for Phase I of GTC, ii) aerial and ground photographs providing a "before" and "after" view of GTC, and iii) an APN map of GTC identifying Phase I and Phase II parcels.

CA DRE Corp. Lic. No. 01899630

3189 Airway Avenue, Suite B Costa Mesa, CA 92626-4612

Phone: 714.708.2740 Fax: 714.708.2760



Phase II of GTC, a conceptual site plan of which is attached hereto, comprises approximately 8.5 acres and will feature additional retail space consistent with Phase I. The following is the status of tenant commitments for Phase II:

- Signed leases: Petsmart
- Negotiating Leases: Marshalls, Anna’s Linens, Chipotle, Starbucks, Verizon
- Signed Letters of Intent: El Pollo Loco
- Negotiating Letters of Intent: Dollar Tree, Aldi Grocery Store

Civil and architectural construction drawings for Phase II of GTC are underway and are anticipated to be submitted for first plan check with the City of Compton starting this week. PIQ anticipates major site work construction on Phase II of GTC will begin in April 2013.

The following table summarizes the actual and estimated beneficial economic impacts of Phase I and II of GTC. As you can see, Phase I of GTC has created significant property tax increment, sales tax proceeds, and permanent jobs for the City of Compton all of which was accomplished without any subsidy from the City of Compton, the CRA or its Successor or any other entity. Upon completion, Phase II of GTC will provide more of the same benefits to the community.

	Phase I	Phase II	Total
Land Area (Acres)	40.4	8.5	48.9 (1)
GLA SF	414,059	82,200 (2)	496,259
Assessed Property Tax Valuation	\$69,372,562	\$20,367,357 (3)	\$89,739,919
Annual Retail Sales (4)	\$124,217,700	\$24,660,000	\$148,877,700
Permanent Jobs (5)	950	225	1,175

- (1) excludes parcel 14 of Tract Map 06185 comprising approximately 1.1 acres which is not included in Phase II
- (2) estimated based upon current site plan
- (3) estimated based upon comparable valuations for similar buildings in Phase I
- (4) estimated based upon an average \$300 PSF of GLA
- (5) estimated based upon surveys of retail tenants

As you will see below in the timeline summarizing the key events related to GTC, this transaction well precedes enactment of AB1X 26 and, with the exception of closing on the Phase II land, has already been fully implemented without any previous or future subsidy from the City of Compton, the CRA or its Successor or any other entity.

- Exclusive Negotiating Agreement (“ENA”) for GTC was approved by the UCDC April 20, 2004.



- ENA was signed by PIQ and CRA on or about April 2004.
- DDA, Final Environmental Impact Report, Master Conditional Use Permit, Tract Map 06185, Change of Zone and General Plan Amendment approved by City of Compton City Council December 14, 2004
- DDA executed by and between PIQ and CRA as of December 2004.
- Escrow opened with initial \$100,000 deposit to Chicago Title Company ("CTT") on March 28, 2005, pursuant to DDA.
- Second deposit of \$100,000 to CTT on June 10, 2005, pursuant to the DDA.
- Tract Map 06185 establishing 16 numbered and 2 lettered parcels for the subject property recorded November 14, 2006.
- PIQ closes escrow on Phase I comprising approximately 40 acres on November 28, 2006 (Parcels 1 through 13, A and B of TM 06815).
- \$100,000 of the \$200,000 deposit held by CTT for Phase II escrow pursuant to the DDA.
- Construction commences immediately following closing and is substantially complete by the end of 2008 with all certificates of completion issued by the CRA by March 2009.
- 1st Amendment to DDA dated November 3, 2008.
- 2nd Amendment to DDA executed on November 29, 2010.
- Tract Map 70914 establishing 6 numbered and 1 lettered parcel for Phase II of GTC recorded October 11, 2011.
- 1st additional escrow payment of \$100,000 for Phase II has been made pursuant to the 2nd Amendment to the DDA.



- 2nd additional escrow payment of \$100,000 for Phase II has been made pursuant to the 2nd Amendment to the DDA. CTT is currently holding funds in the amount of \$300,000 plus interest for the Phase II escrow.

Summary of Key Terms in DDA

- Purchase price was established by a fair market value appraisal of the site completed November 29, 2004.
- There are no financial contributions of any kind made by the City of Compton, the CRA or its Successor or any other entity to the development of GTC including but not limited to: sales or property tax rebates, fee waivers, off site contributions, etc.
- DDA permits PIQ to purchase the subject property in Phases (Phase I and II).

Summary of Key Terms in 1st amendment to DDA

- The Time for Performance for the Close of Escrow extended until October 31, 2009
- PIQ permitted to purchase the remaining property in one or more escrows comprising one or more legal parcels

Summary of Key Terms in 2nd amendment to DDA

- The Time for Performance for the Close of Escrow extended by three (3) years (to account for the halt in retail leasing and development caused by the recession) with PIQ's making successive annual \$100,000 deposits to Escrow.
- The CRA will retain Parcel A of TM 70914 for storm water and water quality purposes.



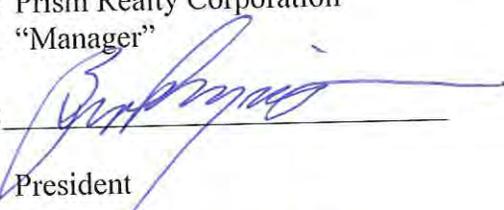
Mr. Steve Szaley
February 5, 2013

In summary, PIQ had already performed its responsibilities under the DDA by acquiring and developing Phase I of GTC and now intends to complete the project 100% by acquiring and developing Phase II of GTC. The sales tax and property tax increment benefits to the City of Compton, other local agencies (e.g., school district and community college), Los Angeles County and the State of California have been very significant and accomplished without any subsidy or concession to PIQ whatsoever. The DDA and PIQ's performance under the terms of the DDA pre-date AB1X 26. The beautification in the City of Compton, which had been chronically underserved by retail services and banking, has greatly improved the City of Compton's residents' outlook, self-respect, and civic pride. It was the kind of positive outcome redevelopment was intended to promote. Upon receipt, we will also forward to you letters of recommendation for GTC we are in the process of collecting from community stakeholders, the City of Compton, other local agencies, County of Los Angeles, and State and Federal elected officials demonstrating the positive impact GTC has had in the community.

We respectfully request prompt review and approval of the remaining Phase II portion so we may expeditiously complete Phase II of GTC.

Very truly yours,

PRISM-IQ PARTNERS II, LLC
a California limited liability company
By: Prism Realty Corporation
Its: "Manager"

By: 

Its: President

Date: Feb 5, 2013

Enclosures: Phase I GTC Site Plan
Phase I GTC "Before" and "After" Aerial and Ground Photographs
APN Map
Phase II GTC Conceptual Site Plan

cc: Pedro Reyes, Chief Deputy Director for Policy, Department of Finance
G. Harold Duffey, City Manager, City of Compton
Eric Eklund, Senior Vice President, Prism Realty Corporation
Vince Evans, President, Inside Quarters
James Grayson, Richards Watson and Gershon



PHASE I
Gateway Towne Center



"BEFORE" AERIAL OF GATEWAY TOWNE CENTER



I-710



GREENLEAF BLVD.

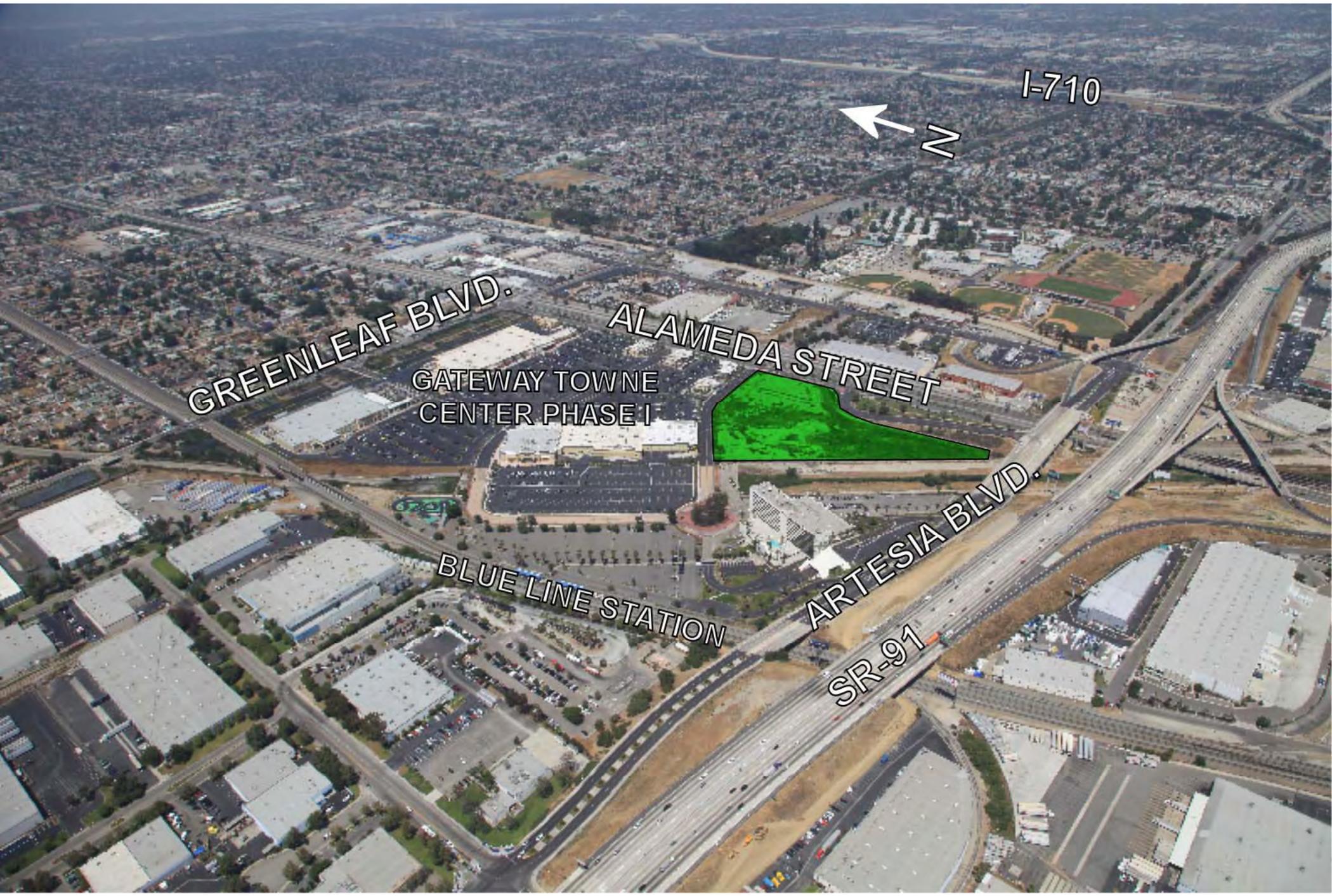
ALAMEDA STREET

BLUE LINE STATION

ARTESIA BLVD.

SR-91

"AFTER" AERIAL OF GATEWAY TOWNE CENTER



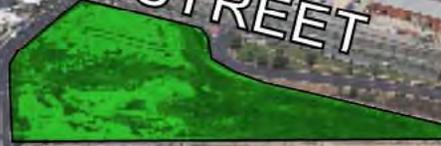
I-710



GREENLEAF BLVD.

ALAMEDA STREET

GATEWAY TOWNE CENTER PHASE I



BLUE LINE STATION

ARTESIA BLVD.

SR-91



"BEFORE" PHOTOGRAPH



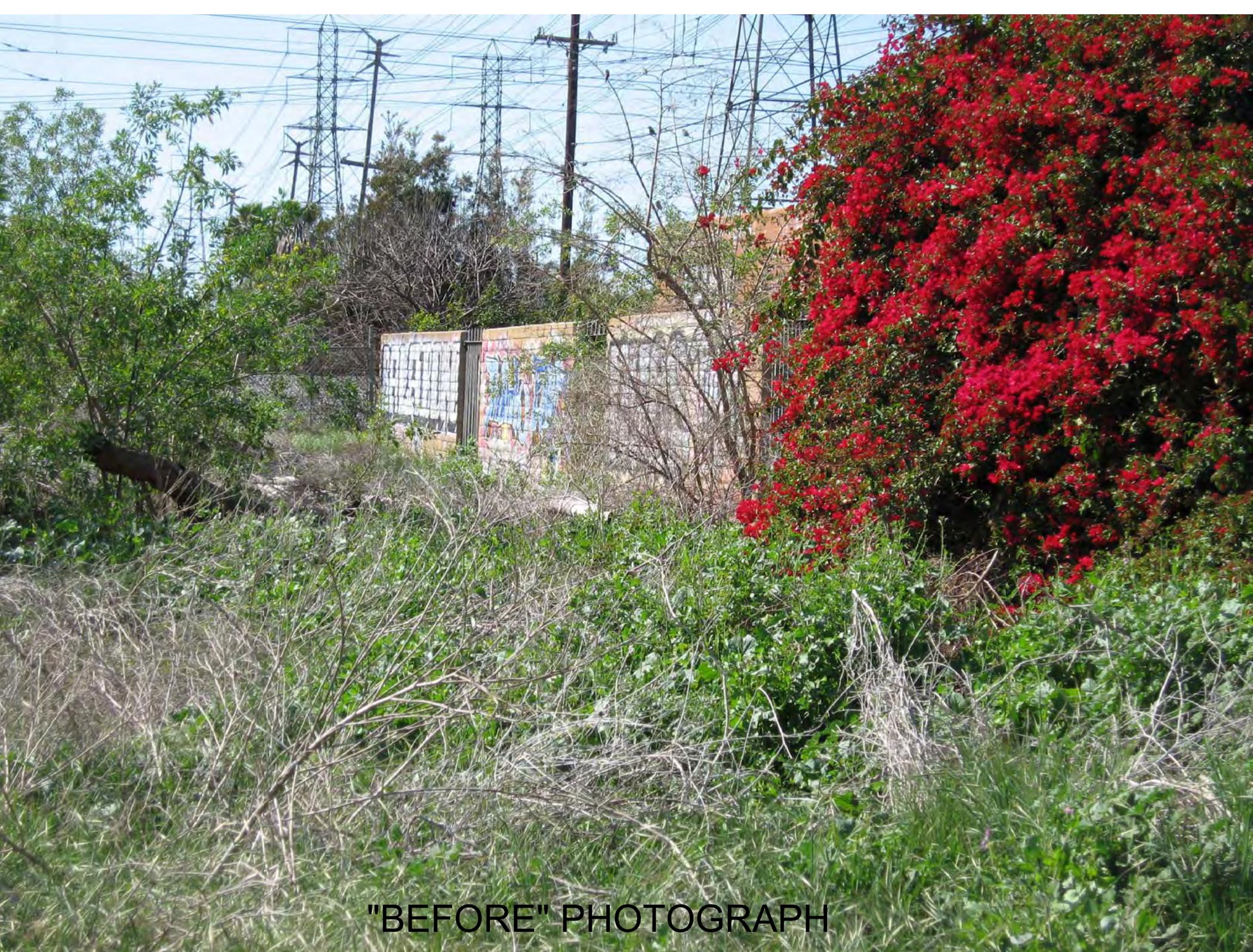
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DRESS FOR LESS

Now **OPEN**

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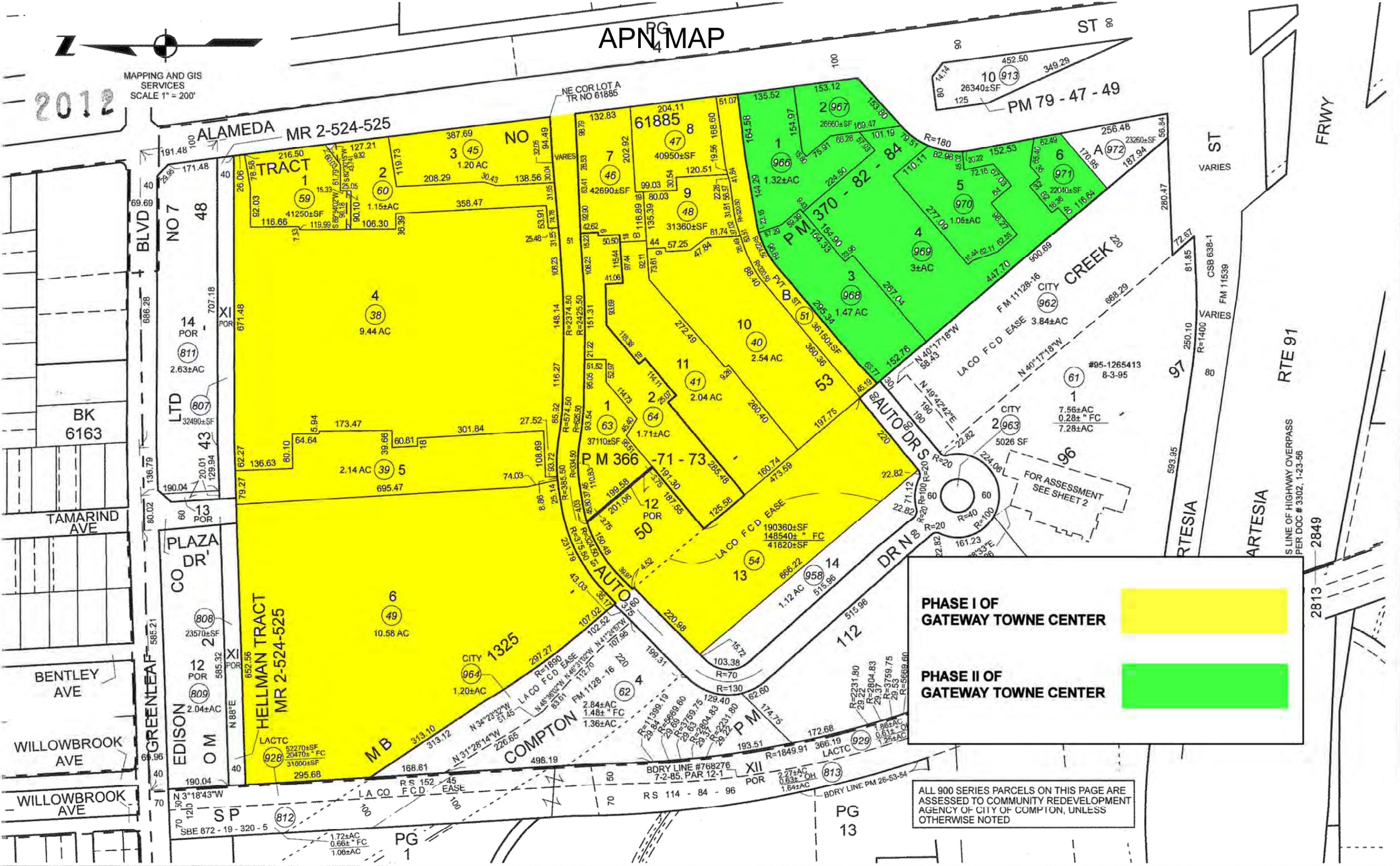
"AFTER" PHOTOGRAPH

APN MAP



MAPPING AND GIS SERVICES SCALE 1" = 200'

2012



PHASE I OF GATEWAY TOWNE CENTER [Yellow Box]

PHASE II OF GATEWAY TOWNE CENTER [Green Box]

ALL 900 SERIES PARCELS ON THIS PAGE ARE ASSESSED TO COMMUNITY REDEVELOPMENT AGENCY OF CITY OF COMPTON, UNLESS OTHERWISE NOTED

PG 13



SITE INFORMATION
 LAND AREA: 369,682 SQ FT (8.5 ACRES)
 TOTAL BUILDING AREA: ±82,422 SQ FT
 TOTAL BUILDING COVERAGE: 22.3%
 TOTAL LANDSCAPE AREA: ±45,590 SQ FT
 TOTAL LANDSCAPE COVERAGE: 12.3%
 GENERAL PLAN DESIGNATION: GENERAL COMMERCIAL
 ZONING: LIMITED COMMERCIAL (C-L)
 MAX. BUILDING HEIGHT: 33'-0"
 TYPE OF CONSTRUCTION: VB

PARKING INFORMATION
 TOTAL PARKING: 416 STALLS
 TOTAL HANDICAP: 19 STALLS
 STANDARD STALL DIMENSION: 9' x 19'
 TOTAL REQUIRED PER COMPTON CITY CODE
 RETAIL: 1 SPACE/ 250 SQ FT
 RESTAURANT: 1 SPACE/ 100 SQ FT
 TOTAL PARKING REQUIRED: 389 STALLS

LEGAL DESCRIPTION:
 PARCELS 1 AND 2 OF PARCEL MAP NO. 70914, AS SHOWN BY PARCEL MAP ON FILE IN BOOK 370, PAGES 82 TO 84, INCLUSIVE, OF PARCEL MAPS, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA.

GATEWAY TOWNE CENTER

91 FREEWAY & ALAMEDA AVENUE
 APN: 7318-003-967
 COMPTON, CALIFORNIA

Project Architect:
BICKEL UNDERWOOD
 JAMES S. BICKEL, JR., ARCHITECT
 A CALIFORNIA CORPORATION
 3600 Birch Street, Suite 120, Newport Beach, CA 92660
 949-757-0411 architecture@bickelunderwood.com

SITE PLAN
 Scale: 1" = 40'
 January 22, 2013
 F:\11\11800.1 GTC Phase II - DRC Package for Majors A-E\Design\Site\11800.1 GTC Site Plan.dwg
The plans, views, arrangements and designs indicated or represented by this drawing are owned by and are the property of BICKEL UNDERWOOD, and were created and developed solely for use in, and in connection with this specific project, and shall not be used, in whole or in part, for any purpose for which they were not originally intended BICKEL UNDERWOOD © 2013.

**The Gateway Towne
Center – Phase II
City Council Presentation**

February 12 2013

**City of Compton
Successor Agency
Prism-IQ Partners, LLC**

Overview

I. Introduction

II. Economic Benefits

III. Project Schedule

IV. Before and After Pics

V. Conclusion



Gateway Towne Center (Phase II)

Introduction

- ◉ Disposition and Development Agreement (DDA) entered into in December 2004 between the former Community Redevelopment Agency (Agency) and Prism-IQ Partners.
- ◉ In 2006 the Redeveloper began construction on the first phase of this project, which consisted of 40 acres.
- ◉ The project was completed in 2008
 - Class “A” multi-tenant retail center commonly known as the Gateway Towne Center.
 - Phase I of the project includes:
 - Home Depot, Target, Best Buy, Ross, Staples, 24 Hour Fitness, Wells Fargo, Bank of America, TGIF, Payless Shoe Source, AT &T, GameStop, Subway, Del Taco, Panda Express and Party City.



Gateway Towne Center (Phase II)

Fiscal Impact Benefits to City of Compton

◉ ECONOMIC BENEFITS ANALYSIS

- ◉ The subject property is located adjacent to strategic 91 freeway access and therefore enhances the aesthetic appearance of the City. The project will offer several other Economic benefits to the City, such as:
- ◉ Purchase Price. Based on the proposed purchase price of approximately \$2.4 million dollars, the City's general fund is anticipated to receive \$325,000 of the final price.
- ◉ Annual Property Tax Revenue. Based upon an estimated valuation of between \$18 and \$20 million and an approximately 1.6% tax rate including specially assessments the annual property taxes would be between \$288,000 and \$320,000.
- ◉ Total number of jobs and salary level of jobs. A project of this size typically generates approximately 275 to 300 construction jobs and 225 to 250 fulltime and part-time jobs. The spectrum of employment runs from highly skilled managerial positions to entry-level positions, which will serve the broad skill set of the community.
- ◉ Types of business that will be leasing the space. The project would accommodate a wide variety of restaurants and retail uses such as soft goods, pet supply, cosmetics and beauty supply, house wares, and discounters.



Gateway Towne Center (Phase II)

Project Schedule

○ PROJECT SCHEDULE

- The following proposed schedule based on the Agency and Oversight Board approval process initiating in February 2013:
- DRC Approval of Majors A to E, Pads 6 and 7 anticipated to occur during February 2013
- Submittal, review and approval of site construction documents (architectural site improvements, civil plans and lot line adjustment(s)) anticipated to occur during February through May 2013
- Submittal, review and approval of construction documents for Majors A to E, Pads 6 and 7 anticipated to occur during March through June 2013
- Receipt of permits for site construction and approval of lot line adjustment(s) anticipated to occur during May through June 2013
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- Close of escrow for lots 1 to 6 of TM 70914 anticipated to occur during July through August following recordation of lot line adjustment(s) and receipt of permits for construction of the site and Majors A to E, Pads 6 and 7
- Site construction anticipated to commence immediately following close of escrow during July through August 2013
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- Tenants in Majors A to E, Pads 6 and 7 opening to the public anticipated to occur during February through June 2014

Gateway Towne Center (Phase II) Aerial Before and After Pics

"BEFORE" AERIAL OF GATEWAY TOWNE CENTER



Gateway Towne Center (Phase II)

Phase 1 – Site Plan



Gateway Towne Center (Phase II) Before and After Pics



"AFTER" PHOTOGRAPH



"AFTER" PHOTOGRAPH

Gateway Towne Center (Phase II) Before and After Pics



"AFTER" PHOTOGRAPH



"AFTER" PHOTOGRAPH

Gateway Towne Center (Phase II) Before and After Pics



Gateway Towne Center (Phase II) Site Plan – Phase II



Gateway Towne Center (Phase II)

Conclusion

- The Gateway Town Center has been instrumental in rejuvenating the tax base of an underutilized vacant site. With a portfolio of over 3.2 million square feet of retail centers and 2.5 million square of industrial space, Prism-IQ has demonstrated competency in acquisition, entitlement, financing, construction and operations of retail and industrial projects spanning over 23 years. Implementation of Phase II Gateway Town Center contributes to further enhancement of Compton's image as emerging economic HUB in the South Bay Area.